

WORKFORCE SAFETY & INSURANCE
INVESTMENT PERFORMANCE REPORT AS OF DECEMBER 31, 2007

	December-07				September-07				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Quarter	Net ROR	Market Value	Allocation	Quarter	Net ROR	FYTD	FY07	Ended	Ended
									Net	Net	6/30/2007	6/30/2007
											Net	Net
LARGE CAP DOMESTIC EQUITY												
<i>Structured Growth</i>												
Los Angeles Capital	18,694,775	1.4%	1.5%	-1.50%	20,038,975	1.5%	1.5%	0.38%	-1.12%	21.84%	13.35%	N/A
Total Structured Growth	18,694,775	1.4%	1.5%	-1.50%	20,038,975	1.5%	1.5%	0.38%	-1.12%	21.84%	13.35%	10.94%
<i>Russell 1000 Growth</i>				-0.77%				4.21%	19.04%		8.70%	9.28%
<i>Structured Value</i>												
LSV	18,288,060	1.4%	1.5%	-5.53%	19,536,466	1.5%	1.5%	-0.89%	-6.37%	23.77%	19.00%	16.55%
Russell 1000 Value				-5.80%				-0.24%	-6.03%	21.87%	15.93%	13.31%
<i>Russell 1000 Enhanced Index</i>												
LA Capital	37,185,820	2.8%	2.9%	-1.07%	39,893,474	3.0%	2.9%	0.24%	-0.83%	21.27%	13.46%	N/A
Russell 1000				-3.23%				1.98%	-1.31%	20.43%	12.34%	
<i>S&P 500 Enhanced Index</i>												
Westridge	41,676,104	3.2%	2.9%	-3.04%	44,212,228	3.4%	2.9%	2.18%	-0.93%	21.12%	11.98%	N/A
S&P 500				-3.33%				2.03%	-1.37%	20.59%	11.68%	
<i>Index</i>												
State Street	11,312,428			-6.37%	12,114,575			-0.80%	-7.11%	21.82%	12.34%	11.08%
Total 130/30	11,312,428	0.9%	1.0%	-6.37%	12,114,575	0.9%	1.0%	-0.80%	-7.11%	21.82%	12.34%	11.08%
S&P 500				-3.33%				2.03%	-1.37%	20.59%	11.68%	10.71%
TOTAL LARGE CAP DOMESTIC EQUITY	127,157,187	9.7%	9.8%	-2.89%	135,795,717	10.3%	9.8%	0.62%	-2.29%	21.86%	13.76%	12.22%
S&P 500				-3.33%				2.03%	-1.37%	20.59%	11.68%	10.71%
SMALL CAP DOMESTIC EQUITY												
<i>Manager-of-Managers</i>												
SEI	19,308,742	1.5%	1.6%	-6.35%	20,862,294	1.6%	1.6%	-3.66%	-9.78%	18.39%	13.70%	14.37%
Russell 2000 + 200bp				-4.09%				-2.60%	-6.59%	18.76%	15.72%	16.16%
<i>Enhanced</i>												
Research Affiliates	18,299,816	1.4%	1.6%	-7.00%	19,891,299	1.5%	1.6%	N/A	N/A	N/A	N/A	N/A
Russell 2000				-4.58%				-3.09%	-7.53%			
TOTAL SMALL CAP DOMESTIC EQUITY	37,608,558	2.9%	3.3%	-6.67%	40,753,593	3.1%	3.3%	-4.98%	-11.32%	18.39%	13.70%	14.37%
Russell 2000				-4.58%				-3.09%	-7.53%	16.44%	13.45%	13.88%
INTERNATIONAL EQUITY												
<i>Large Cap - Active</i>												
Capital Guardian	40,546,231	3.1%	3.2%	-1.23%	42,837,069	3.3%	3.2%	0.61%	-0.63%	25.99%	21.19%	14.89%
LSV	38,985,050	3.0%	3.2%	-6.39%	43,485,806	3.3%	3.2%	-3.37%	-9.54%	31.24%	N/A	N/A
Total Large Cap - Active	79,531,281	6.1%	6.4%	-3.80%	86,322,875	6.6%	6.4%	-1.43%	-5.18%	28.57%	22.95%	18.43%
MSCI EAFE - 50% Hedged				-2.19%				0.11%	-2.08%	26.94%	22.55%	15.71%
<i>Small Cap - Value</i>												
DFA	9,640,628	0.7%	0.8%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Lazard	-	0.0%	0.0%	N/A	10,564,102	0.8%	0.8%	-3.92%	N/A	21.03%	20.93%	N/A
Total Small Cap Value	9,640,628	0.7%	0.8%		10,564,102	0.8%	0.8%	-3.92%	-4.54%	21.03%	20.93%	N/A
Citigroup Broad Market Index < \$2BN				-5.94%				-0.66%	-6.55%	28.58%	26.34%	
<i>Small Cap - Growth</i>												
Vanguard	9,868,452	0.8%	0.8%	-4.84%	10,338,193	0.8%	0.8%	-1.48%	-6.25%	31.00%	28.08%	N/A
Citigroup Broad Market Index < \$2BN				-5.94%				-0.66%	-6.55%	28.58%	26.34%	
TOTAL INTERNATIONAL EQUITY	99,040,362	7.5%	8.0%	-3.97%	107,225,170	8.1%	8.0%	-1.70%	-5.60%	28.02%	23.43%	17.15%
MSCI EAFE - 50% Hedged				-2.19%				0.11%	-2.08%	26.94%	22.55%	15.71%
DOMESTIC FIXED INCOME												
<i>Core Bond</i>												
Western Asset	187,051,148	14.2%	14.1%	1.63%	185,854,188	14.1%	14.1%	1.87%	3.53%	7.29%	4.44%	5.64%
Lehman Aggregate				3.00%				2.84%	5.93%	6.12%	3.98%	4.48%
<i>Mortgage Backed</i>												
Hyperion	50,034,672	3.8%	4.0%	-1.00%	50,585,385	3.8%	4.0%	-1.78%	-2.76%	N/A	N/A	N/A
Lehman Global Aggregate (US Securitized Portion)				3.15%				3.88%	7.15%			
<i>Core Plus/Enhanced</i>												
Clifton Group	54,528,815	4.2%	4.0%	3.99%	52,474,224	4.0%	4.0%	4.41%	8.58%	5.52%	N/A	N/A
Prudential	52,282,152	4.0%	4.0%	2.45%	51,080,404	3.9%	4.0%	1.95%	4.45%	N/A	N/A	N/A
Total Core Plus/Enhanced	106,810,966	8.1%	8.0%	3.23%	103,554,628	7.9%	8.0%	3.18%	6.52%	5.95%	N/A	N/A
Lehman Aggregate				3.00%				2.84%	5.93%	6.12%		
<i>Index</i>												
Bank of ND	93,572,032	7.1%	7.0%	3.04%	92,515,653	7.0%	7.0%	3.09%	6.23%	5.45%	2.92%	4.32%
Bank of ND CD'S	37,309,958	2.8%	2.8%	1.24%	37,539,634	2.9%	2.9%	1.25%	2.09%	5.33%	N/A	N/A
Total Index	130,881,990	10.0%	9.8%	2.52%	130,055,287	9.9%	9.9%	2.56%	5.14%	5.80%	2.91%	4.25%
Lehman Gov/Credit (1)				3.10%				3.01%	6.20%	6.00%	3.04%	4.35%
<i>BBB Average Quality</i>												
Wells Capital (formerly Strong)	185,437,569	14.1%	14.1%	1.98%	183,388,412	13.9%	14.1%	1.48%	3.49%	7.93%	4.86%	6.59%
Lehman US Credit BAA				1.90%				1.67%	3.60%	7.54%	4.47%	6.59%
TOTAL DOMESTIC FIXED INCOME	660,216,345	50.3%	50.0%	1.95%	653,437,900	49.6%	50.0%	1.81%	3.80%	7.20%	4.04%	5.45%
Lehman Aggregate (2)				3.00%				2.84%	5.93%	6.12%	4.13%	4.87%
TREASURY INFLATION PROTECTED SECURITIES (TIPS)												
Northern Trust Global Investments	151,127,642	11.5%	11.0%	5.07%	146,169,453	11.1%	11.0%	4.57%	9.88%	3.93%	3.78%	N/A
Western	150,135,547	11.4%	11.0%	4.16%	145,031,121	11.0%	11.0%	5.14%	9.51%	3.35%	3.40%	N/A
TOTAL TIPS	301,263,189	22.9%	22.0%	4.62%	291,200,574	22.1%	22.0%	4.85%	9.69%	3.64%	3.59%	N/A
LB US TIPS Index				4.97%				4.54%	9.74%	4.07%	3.96%	N/A
REAL ESTATE												
JP Morgan	87,688,146	6.7%	6.0%	3.18%	85,046,061	6.5%	6.0%	3.48%	6.77%	16.00%	N/A	N/A
NCREIF Total Index				4.25%				4.59%	9.03%	17.24%	17.14%	N/A
CASH EQUIVALENTS												
Bank of ND	645,372	0.0%	1.0%	0.96%	3,090,960	0.2%	1.0%	1.24%	2.21%	5.36%	4.10%	3.00%
90 Day T-Bill				1.05%				1.34%	2.40%	5.21%	3.78%	2.76%
TOTAL WSI	1,313,619,159	100.0%	100.0%	1.40%	1,316,549,976	100.0%	100.0%	1.93%	3.36%	10.33%	6.98%	7.90%
POLICY TARGET BENCHMARK				2.22%				2.84%	5.12%	9.58%	7.13%	7.50%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.

(2) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.